

ENSLEY TOWNSHIP
NEWAYGO COUNTY, MICHIGAN
AUDIT REPORT
MARCH 31, 2008

Auditing Procedures Report

[Reset Form](#)[Email](#)

Issued under Public Act 2 of 1968, as amended

Unit Name	Ensley Township	County	NEWAYGO	Type	TOWNSHIP	MuniCode	
Opinion Date	May 13, 2008	Audit Submitted	June 12, 2008	Fiscal Year	2008		

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No".

<input checked="" type="checkbox"/> 1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
<input checked="" type="checkbox"/> 2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
<input checked="" type="checkbox"/> 3. Were the local unit's actual expenditures within the amounts authorized in the budget?
<input checked="" type="checkbox"/> 4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
<input checked="" type="checkbox"/> 5. Did the local unit adopt a budget for all required funds?
<input checked="" type="checkbox"/> 6. Was a public hearing on the budget held in accordance with State statute?
<input checked="" type="checkbox"/> 7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
<input checked="" type="checkbox"/> 8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
<input checked="" type="checkbox"/> 9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
<input checked="" type="checkbox"/> 10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
<input checked="" type="checkbox"/> 11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
<input checked="" type="checkbox"/> 12. Is the local unit free of repeated reported deficiencies from previous years?
<input checked="" type="checkbox"/> 13. Is the audit opinion unqualified? 14. If not, what type of opinion is it? <u>NA</u>
<input checked="" type="checkbox"/> 15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
<input checked="" type="checkbox"/> 16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
<input checked="" type="checkbox"/> 17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
<input type="checkbox"/> 18. Are there reported deficiencies? <input type="checkbox"/> 19. If so, was it attached to the audit report?

General Fund Revenue:	\$ 288,275.00
General Fund Expenditure:	\$ 265,667.00
Major Fund Deficit Amount:	\$ 0.00

General Fund Balance:	\$ 347,553.00
Governmental Activities Long-Term Debt (see instructions):	

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (Reported deviations).

CPA (First Name)	Terry	Last Name	Kirkpatrick	Ten Digit License Number	1101018035		
CPA Street Address	211 Maple St	City	Big Rapids	State MI	Zip Code 49307	Telephone	+1 (231) 796-3332
CPA Firm Name	Terry Kirkpatrick, CPA, P.C.	Unit's Street Address	211 Maple St	City	Big Rapids	Zip Code	49307

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Independent Auditor's Report

To the Township Board
Ensley Township, Newaygo County

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ensley Township, Newaygo County, Michigan, as of and for the year ended March 31, 2008, which collectively comprise Ensley Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Ensley Township, Newaygo County, Michigan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Ensley Township, Newaygo County, Michigan, as of March 31, 2008, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Ensley Township, Michigan's basic financial statements. The introductory section, combining and individual non-major fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

The management's discussion and analysis and budgetary comparison information on pages 2 through 4 and pages 15 and 16, are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Terry Kirkpatrick CPA, P.C.

Big Rapids, Michigan
May 13, 2008

Ensley Township – Newaygo County, Michigan

Management's Discussion and Analysis

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of Ensley Township, as a whole, and present a longer-term view of the Township's finances. Fund financial statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide financial statements.

The Township as a Whole

The Township's net assets decreased slightly during the year. Primarily the reason for this was that although revenues increased, the amount spent on roads this year was significantly more than the prior year. In a condensed format, the table below shows the net assets as of the current date:

	<u>2008</u>	<u>2007</u>
Current Assets	\$ 556,238	\$ 570,127
Non-current Assets	69,926	69,720
	<u>\$ 626,164</u>	<u>\$ 639,847</u>
 Total Liabilities	 \$ 6,797	 \$ 4,998
 Net Assets		
Invested in Capital Assets	69,926	69,720
Restricted for Roads	188,249	227,418
Unrestricted	361,192	337,711
Total net assets	<u>619,367</u>	<u>634,849</u>
 Total liabilities and net assets	 <u>\$ 626,164</u>	 <u>\$ 639,847</u>

The following table shows the changes of the net assets as of the current date:

	<u>2008</u>	<u>2007</u>
Program Revenues		
Charges for Services - Road Tax	\$ 201,127	\$ 187,702
General Revenues		
Property Taxes	65,038	60,928
Licenses and Permits	6,293	2,956
State Grants	176,854	175,100
Charges for Services	21,497	30,509
Interest Earnings	21,479	17,163
Other Revenue	25,418	9,207
Total revenues	<u>517,706</u>	<u>483,565</u>
Program Expenses		
General Government	\$ 139,055	\$ 127,454
Public Safety	75,168	103,468
Public Works	300,136	233,482
Cultural and Recreational	2,926	5,075
Other Functions	12,359	12,396
Depreciation	3,544	3,008
Total expenses	<u>533,188</u>	<u>484,883</u>
Change in Net Assets	<u>\$ (15,482)</u>	<u>\$ (1,318)</u>

The Township's Funds

Our analysis of the Township's major funds begins on page 7, following the entity-wide financial statements. The fund financial statements provide detailed information about the most significant funds, not the Township as a whole. The Township Board creates funds to help manage money for specific purposes as well as to show accountability for certain activities, such as special property tax millages. The Township's major funds include the General Fund and the Road Fund.

The General Fund pays for most of the Township's governmental services, which are partially supported by an operating tax millage and State revenue sharing. The Road Fund is financed primarily by a voted tax millage for road maintenance.

General Fund Budgetary Highlights

Ensley Township found it necessary to amend the General Fund budget during the year as various events occurred.

Capital Asset and Debt Administration

At the end of the fiscal year, the Township had \$208,516 invested in a broad range of capital assets including buildings and equipment. In addition, the Township has invested significantly in roads within the Township. These assets are not reported in the Township's financial statements because of Michigan law, which makes these roads the property of the Newaygo County Road Commission (along with the responsibility to maintain them).

Economic Factors and Next Year's Budgets and Rates

The Township budget for the next fiscal year will be similar to this past years' budget. State revenue sharing has shown declines in recent years and may be so again for the next year.

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Clerk's office.

BASIC FINANCIAL STATEMENTS

Ensley Township – Newaygo County, Michigan

Government Wide Statement of Net Assets

March 31, 2008

With Comparative Amounts at March 31, 2007

	Governmental Activities	
	<u>2008</u>	<u>2007</u>
ASSETS		
Cash and Cash Equivalents	\$ 530,693	\$ 541,943
Receivables - Other Governmental Units	25,545	28,184
Capital Assets (Net)	69,926	69,720
Total assets	<u>\$ 626,164</u>	<u>\$ 639,847</u>
LIABILITIES		
Deposits and Accounts Payable	\$ 6,797	\$ 4,998
NET ASSETS		
Invested in capital assets, net of related debt	69,926	69,720
Unrestricted	549,441	565,129
Total net assets	<u>619,367</u>	<u>634,849</u>
Total liabilities and net assets	<u>\$ 626,164</u>	<u>\$ 639,847</u>

The "Notes to Financial Statements" are an integral part of these statements.

Ensley Township -- Newaygo County, Michigan
Government Wide Statement of Activities
For the Year Ended March 31, 2008
With Comparative Totals for the Year Ended March 31, 2007

	Expenses	Charges for Services	Operating Grants	Governmental Activities Net (Expense) Revenue and Changes in Net Assets	Totals 2007
PRIMARY GOVERNMENT					
General Government	\$ 139,055	\$ 0	\$ 0	\$ (139,055)	(127,454)
Public Safety	75,168	0	0	(75,168)	(103,468)
Public Works	300,136	201,127	0	(99,009)	(45,780)
Cultural and Recreation	2,926	0	0	(2,926)	(5,075)
Other Functions	12,359	0	0	(12,359)	(12,396)
Depreciation (unallocated)	3,544	0	0	(3,544)	(3,008)
Total primary government	\$ 533,188	\$ 201,127	\$ 0	\$ (332,061)	(297,181)
General Revenues					
Property Tax, levied for general operations				65,038	60,928
Licenses and Permits				6,293	2,956
State Grants				176,854	175,100
Charges for Services				21,497	30,509
Interest Earnings				21,479	17,163
Other Revenue				25,418	9,207
Total general revenues				316,579	295,863
Change in Net Assets				(15,482)	(1,318)
Net assets - Beginning of year				634,849	636,167
Net assets - End of year				\$ 619,367	\$ 634,849

The "Notes to Financial Statements" are an integral part of these statements.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Ensley Township – Newaygo County, Michigan
 Governmental Fund Balance Sheet
 March 31, 2008
 With Comparative Totals at March 31, 2007

	General Fund	Road Fund	Non-Major Governmental Funds	Total Governmental Funds	Total 2007
ASSETS					
Cash and Cash Equivalents	\$ 348,136	\$ 168,918	\$ 13,639	\$ 530,693	\$ 541,943
Delinquent Personal Property Tax	78	259	0	337	0
Due from Newaygo County	5,715	19,072	0	24,787	27,994
Due from Current Tax Fund	421	0	0	421	190
Total assets	\$ 354,350	\$ 188,249	\$ 13,639	\$ 556,238	\$ 570,127
LIABILITIES AND FUND EQUITY					
Deposits and Accounts Payable	\$ 6,797	\$ 0	\$ 0	\$ 6,797	\$ 4,998
Fund Balance - Unreserved and Undesignated	347,553	188,249	13,639	549,441	565,129
Total liabilities and fund equity	\$ 354,350	\$ 188,249	\$ 13,639	\$ 556,238	\$ 570,127

Reconciliation of the Balance Sheet of Governmental Funds to
 the Statement of Net Assets

Total Governmental Fund Balances	\$ 549,441	\$ 565,129
Amounts reported for governmental activities in the statement of net assets are different because:		
Cost of capital assets, net of depreciation	69,926	69,720
Net assets of governmental activities	\$ 619,367	\$ 634,849

The "Notes to Financial Statements" are an integral part of these statements.

Ensley Township – Newaygo County, Michigan
Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended March 31, 2008
With Comparative Totals for the Year Ended March 31, 2007

	General Fund	Road Fund	Non-Major Governmental Funds	Total Government Funds	Totals 2007
REVENUES					
Property Tax	\$ 65,038	\$ 201,127	\$ 0	\$ 266,165	\$ 248,630
Licenses and Permits	6,293	0	0	6,293	2,956
State Grants	176,854	0	0	176,854	175,100
Charges for Services	7,570	0	13,927	21,497	30,509
Interest and Rents	11,919	9,560	0	21,479	17,163
Other Revenue	20,601	4,817	0	25,418	9,207
Total revenues	288,275	215,504	13,927	517,706	483,565
EXPENDITURES					
General Government	142,805	0	0	142,805	127,454
Public Safety	62,114	0	13,054	75,168	103,468
Public Works	37,463	262,673	0	300,136	233,482
Cultural and Recreation	2,926	0	0	2,926	5,075
Other Functions	12,359	0	0	12,359	12,396
Total expenditures	257,667	262,673	13,054	533,394	481,875
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	30,608	(47,169)	873	(15,688)	1,690
OTHER FINANCING SOURCES (USES)					
Transfer from General Fund	0	8,000	0	8,000	0
Transfer to Road Fund	(8,000)	0	0	(8,000)	0
	(8,000)	8,000	0	0	0
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	22,608	(39,169)	873	(15,688)	1,690
Fund Balance - April 1,	324,945	227,418	12,766	565,129	563,439
Fund Balance - March 31,	\$ 347,553	\$ 188,249	\$ 13,639	\$ 549,441	\$ 565,129

The "Notes to Financial Statements" are an integral part of these statements.

Ensley Township – Newaygo County, Michigan

Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities

For the Year Ended March 31, 2008

With Comparative Amounts for the Year Ended March 31, 2007

	<u>2008</u>	<u>2007</u>
Net Change in Fund Balances - Total Government Funds	\$ (15,688)	\$ 1,690
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation		
Capital Outlay	3,750	
Depreciation expense	(3,544)	(3,008)
Change in Net Assets of Governmental Activities	<u>\$ (15,482)</u>	<u>\$ (1,318)</u>

The "Notes to Financial Statements" are an integral part of these statements.

Ensley Township – Newaygo County, Michigan

Fiduciary Fund

Statement of Net Assets

March 31, 2008

With Comparative Amounts at March 31, 2007

	<u>Agency Fund Type</u>	
	<u>Property Tax Collection Fund</u>	
	<u>2008</u>	<u>2007</u>
ASSETS		
Cash and Cash Equivalents	\$ 421	\$ 190
LIABILITIES		
Due to General Fund	\$ 421	\$ 190

The "Notes to Financial Statements" are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Ensley Township conform to accounting policies generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by Ensley Township:

Reporting Entity

The Township is governed by an elected, five-member, Board. The accompanying financial statements present the government and its component units; entities for which the government is considered to be financially accountable. Based on the application of the criteria, the Township does not contain any component units.

Government – Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

District-Wide Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Based Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be "available" if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes – Ensley Township's property tax is levied on each December 1st on the taxable valuation of property located within Ensley Township as of the preceding December 31st.

Ensley Township – Newaygo County, Michigan

Notes to Financial Statements - Continued
For the Year Ended March 31, 2008

Although the Ensley Township 2007 ad valorem tax is levied and collectible on December 1, 2007, it is Ensley Township's policy to recognize revenue from the current tax levy in the current year when the proceeds of this levy are budgeted and made "available" for the financing of operations.

The 2007 taxable valuation of Ensley Township totaled approximately \$68,970,000, on which ad valorem taxes levied consisted of .8862 mills for the Township operating purposes and an additional 2.9171 mills for roads. These amounts are recognized in the respective General and Special Revenue Fund financial statements as Due from Newaygo County and/or as a tax revenue.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted-for in another fund.

The Road Fund is used to record property tax and interest for expenditures for road improvements.

Additionally, the Township reports the following fund types:

The Township reports a Fiduciary Fund (Agency Fund). This fund accounts for taxes and special assessments collected by the Township as an agent for other taxing units. Fiduciary Fund net assets and results of operations are not included in the government-wide financial statements. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The Township reports one non-major special revenue funds for a building and electrical fund.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Assets, Liabilities and Net Assets or Equity

Deposits and Investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables and Payables – In general, outstanding balances between funds are reported as "due to/from other funds". Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds".

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1st and are considered delinquent on March 1st of the following year, at which time interest and penalties are assessed.

Capital Assets – Capital assets, which include property, plant and equipment assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$3,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Building	40 Years
Equipment	7-10 Years

Ensley Township – Newaygo County, Michigan

Notes to Financial Statements - Continued
For the Year Ended March 31, 2008

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information – Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental units. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund, function, activity and line items. The legal level of budgetary control adopted by the governing body is the activity level. State law requires the Township have its budget in place by April 1st. Expenditures in excess of amounts budgeted is a violation of Michigan Law. State law permits a township to amend its budgets during the year.

NOTE C – DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations, which have an office in Michigan. The Township is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Township has designated two banks for the deposit of Township Funds. The investment policy adopted by the Township Board in accordance with Public Act 196 of 1997 has authorized investment in bank accounts and certificates of deposit, but not the remainder of State statutory authority as listed above.

The Township's deposits and investment policy are in accordance with statutory authority.

At year-end, the Township's deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>
Cash and cash equivalents	\$ 530,693

The bank balance of the primary government's deposits is \$532,268, of which \$230,000 is covered by federal depository insurance.

NOTE D – RECEIVABLES

Receivables as of year-end for the government's individual major and non-major funds are as follows:

	General	Road Millage	Non-Major	Total
Taxes receivable	\$ 5,793	\$ 19,331	\$ 0	\$ 25,124

Ensley Township – Newaygo County, Michigan

Notes to Financial Statements - Continued
For the Year Ended March 31, 2008

NOTE E – CAPITAL ASSETS

Capital asset activity of the governmental activities for the current year was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being depreciated				
Buildings	\$ 204,766	\$ 0	\$ 0	\$ 204,766
Equipment	0	3,750	0	3,750
Less Accumulated depreciation for Capital assets	(135,046)	(3,544)	0	(138,590)
Net capital assets	\$ 69,720	\$ 206	\$ 0	\$ 69,926

Depreciation expense was not charged to activities as the Township considers its assets to impact multiple activities and allocation is not practical.

NOTE F– INTERFUND RECEIVABLES and PAYABLES

Receivable Fund	Payable Fund	Amount
General	Agency	\$ 421

NOTE G – RISK MANAGEMENT

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation). The Township has purchased workers' compensation insurance for such claims. Settled claims relating to the workers' compensation insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

REQUIRED SUPPLEMENTAL INFORMATION

Ensley Township – Newaygo County, Michigan
Budgetary Comparison Schedule
General Fund
For the Year Ended March 31, 2008
With Comparative Actual Amounts For the Year Ended March 31, 2007

	Original Budget	Amended Budget	Actual	Variance with Final Budget Favorable (Unfavorable)	Actual 2007
BEGINNING OF YEAR FUND BALANCE	\$ 324,945	\$ 324,945	\$ 324,945	\$ 0	\$ 325,448
Resources (inflows)					
Property Tax	57,910	57,910	65,038	7,128	60,928
Licenses and Permits	2,700	2,700	6,293	3,593	2,956
State Grants	178,000	178,000	176,854	(1,146)	175,100
Charges for Services	5,000	5,000	7,570	2,570	8,270
Interest and Rents	10,000	10,000	11,919	1,919	12,593
Other Revenue	10,150	10,150	20,601	10,451	4,681
Amounts Available for Appropriation	588,705	588,705	613,220	24,515	589,976
Charges to Appropriations (outflows)					
General Government					
Township board	40,790	51,290	49,255	2,035	36,160
Supervisor	8,503	8,208	8,204	4	7,783
Elections	1,230	1,195	1,073	122	3,297
Assessor	27,850	28,960	28,950	10	23,753
Clerk	15,675	14,675	14,582	93	15,162
Board of review	1,050	920	915	5	862
Treasurer	17,335	17,075	16,908	167	17,343
Townhall	6,000	6,500	6,486	14	4,388
Cemetery	18,300	16,900	16,432	468	18,706
Public Safety					
Fire protection	38,827	38,827	38,756	71	36,150
Police protection	0	0	0	0	24,964
Building and zoning	12,000	12,180	11,724	456	10,136
Planning	11,000	13,310	11,634	1,676	11,459
Public Works					
Highways, streets & bridges	45,050	36,550	36,115	435	36,892
Public Drain	1,000	1,300	1,248	52	410
Street lighting	100	100	100	0	95
Cultural and Recreation					
Parks	5,250	3,750	2,926	824	5,075
Other Functions					
Insurance and Bonds	8,000	7,400	7,433	(33)	7,350
Social security/ medicare tax	1,600	1,450	1,580	(130)	1,473
Retirement	4,200	3,700	3,346	354	3,573
Transfer to Road Fund	0	8,000	8,000	0	0
Total Charges to Appropriations	263,760	272,290	265,667	6,623	265,031
Budgetary Fund Balance - March 31,	\$ 324,945	\$ 316,415	\$ 347,553	\$ 31,138	\$ 324,945

Ensley Township – Newaygo County, Michigan
 Budgetary Comparison Schedule
 Road Fund
 For the Year Ended March 31, 2008
 With Comparative Actual Amounts for the Year Ended March 31, 2007

	Original <u>Budget</u>	Amended <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)	Actual <u>2007</u>
BEGINNING OF YEAR FUND BALANCE	\$ 227,418	\$ 227,418	\$ 227,418	\$ 0	\$ 226,705
Resources (inflows)					
Property Tax	182,000	182,000	201,127	19,127	187,702
Interest and Rents	3,000	3,000	9,560	6,560	4,570
Other Revenue	4,500	4,500	4,817	317	4,526
Transfer from General Fund	0	8,000	8,000	0	0
Amounts Available for Appropriation	416,918	424,918	450,922	26,004	423,503
Charges to Appropriations (outflows)					
Public Works					
Highways, Streets, and Bridges	260,068	262,673	262,673	0	196,085
BUDGETARY FUND BALANCE - March 31	\$ 156,850	\$ 162,245	\$ 188,249	\$ 26,004	\$ 227,418

OTHER SUPPLEMENTAL INFORMATION

Ensley Township – Newaygo County, Michigan

Balance Sheet

Non-Major Governmental Funds

March 31, 2008

With Comparative Amounts at March 31, 2007

	<u>Building and Electrical Fund</u>	
	<u>2007</u>	<u>2008</u>
ASSETS		
Cash and Cash Equivalents	\$ 11,286	\$ 13,639
LIABILITIES AND FUND EQUITY		
Fund Balance		
Unreserved and undesignated	\$ 11,286	\$ 13,639

Ensley Township – Newaygo County, Michigan
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Non-Major Governmental Fund
 For the Year Ended March 31, 2008
 With Comparative Amounts for the Year Ended March 31, 2007

	<u>Building and Electrical Fund</u>	
	<u>2007</u>	<u>2008</u>
REVENUES		
Charges for Services	\$ 22,239	\$ 13,927
EXPENDITURES		
Public safety	<u>20,759</u>	<u>13,054</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,480	873
FUND BALANCE - April 1,	<u>11,286</u>	<u>12,766</u>
FUND BALANCE - March 31,	<u>\$ 12,766</u>	<u>\$ 13,639</u>

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May 13, 2008

Members of Ensley Township Board
Newaygo County, Michigan

I have recently completed my audit of the basic financial statements of Ensley Township for its year ended March 31, 2008. During this audit, I had an opportunity to observe accounting and financial procedures and many of your general management practices. As a result of my auditing procedures, there are some comments and/or recommendations I would like to present.

FINANCIAL RECORD IN GOOD ORDER

The Township Clerk and Treasurer appear to have done a very good job of maintaining the financial records of Ensley Township again this year. As they take on the task of accounting for the two cemetery trust funds, I am confident they will continue to do a good job with that also.

OTHER MATTERS

I want to thank your personnel for the courtesy and cooperation shown me by them during the audit process.

I have mailed two copies of the audit report and this letter to the Michigan Department of Treasury. You have been given the completed copy of the Form F-65 which the Clerk must sign and mail to the Michigan Department of Treasury.

If you have any questions regarding the above or the audit, please contact me.

Terry Kirkpatrick, CPA, P.C.